



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES MCI WORLDCOM COMMUNICATIONS TARIFF

Jefferson City (August 28, 2002)---The Missouri Public Service Commission has approved a tariff filed by MCI WorldCom Communications, Inc. (MCI WorldCom) which establishes an "Instate Access Recovery Charge" of \$1.95 a month for Missouri MCI WorldCom residential long-distance customers. Customers will be exempt from this charge during any monthly billing period where their MCI spending is less than \$1.00.

In a filing with the Commission, the PSC Staff recommended the tariff be approved. Staff's filing pointed to the fact that MCI WorldCom, as a competitive company, must comply with state laws which authorize rate increases with a tariff filing and notice to customers at least 10 days prior to the increase. Staff also stated that the Commission does not typically scrutinize the rate structure of competitive long distance service providers, except to determine compliance with a few limited rate requirements identified in Missouri statutes. Staff further noted that this approach is consistent with state law which permits "flexible regulation of competitive telecommunications companies and competitive telecommunications services" as well as state statutes which permit "full and fair competition to function as a substitute for regulation when consistent with the protection of ratepayers and otherwise consistent with the public interest."

The PSC Staff states that more than 500 companies hold certificates to provide long distance service in Missouri. Thus, Staff states, MCI WorldCom's customers may choose to switch long distance carriers, thereby allowing the competitive marketplace to regulate the charges. In addition, the PSC Staff notes that monthly-recurring charges and surcharges are common in the industry and that MCI WorldCom should not be singled out for special treatment based on this tariff.

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The Commission stated in its order approving the tariff: “Because MCI WorldCom’s proposed monthly service charge of \$1.95 applies only to a competitive service, consumers are free to obtain service from an alternative provider if they object to the charge. Considering the competitive climate in which this service is offered, the Commission finds that the allowing full and fair competition to substitute for regulation will ensure that consumers pay only reasonable rates.”

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Case No. XT-2003-0047